

STATE OF CALIFORNIA
CONSUMER POWER AND CONSERVATION
FINANCING AUTHORITY



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**CALIFORNIA POWER AUTHORITY COMPLETES FIRST REVENUE
BOND FINANCING FOR ENERGY COMMISSION'S CONSERVATION
LOAN PROGRAM**

SACRAMENTO – California Power Authority Chairman S. David Freeman today announced the delivery of \$28 million of Series 2003A Energy Efficiency Revenue Bonds to provide energy conservation funding to schools, cities, counties, non-profit /public hospitals and public care institutions in California.

“The Power Authority is pleased to complete its first bond sale that will help finance cost-saving energy measures for those who suffered the most from the energy crisis – schools, hospitals, cities and counties,” Freeman said. “I applaud the Energy Commission’s strong management of the Energy Conservation Assistance Act (ECAA) program, which has created the opportunity for the Power Authority to go to the market with an excellent bond rating.”

The California Power Authority’s Series 2003A Energy Efficiency Master Trust Bonds were sold through Goldman, Sachs & Co. as underwriter and rated "Aa3" by Moody’s Investors Service.

“Today’s bond closing – during tough economic times – will help pay for much needed energy-saving conservation improvements,” said California State Treasurer Phil Angelides, ex-officio member of the Power Authority Board. “These types of long term investments will help cities and counties to reduce their electricity costs for many years to come.”

Proceeds from the bond sale received today will leverage the California Energy Commission’s ECAA program to make additional loans for energy conservation projects during the next three years. In existence since 1979, the ECAA’s low-interest loan program has made 646 loans for a combined \$135 million to fund energy conservation improvements. These improvements in turn reduce energy costs to schools, cities, counties, public/non-profit hospitals and public care institutions.

The Power Authority was created in August of 2001 to promote energy efficiency and demand solutions to help achieve adequate reserves for the State. With its ability to issue up to \$5 billion in revenue bonds, the Power Authority is authorized to invest in needed power plants, cost effective conservation and energy efficiency programs and renewable energy projects to reduce the demand for energy in California.

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